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Letter dated 22 May 2000 from the Permanent Representative of Iraq to the United Nations addressed to the Secretary-General

On instructions from my Government, I have the honour to transmit to you herewith a letter dated 16 May 2000 from Mr. Mohammed Said Al-Sahaf, Minister for Foreign Affairs of Iraq. The letter concerns Iraq's request that the sum of $10 million should be allocated for the purchase of equipment for the printing of Iraqi currency under the procurement and distribution plans for phases V, VI and VII and the fact that the Secretariat is continuing to ignore this request.

I should be grateful if you would have the present letter and its annex circulated as a document of the Security Council.

(*Signed*) Saeed H. **Hasan**
Ambassador
Permanent Representative

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Annex to the letter dated 22 May 2000 from the Permanent Representative of Iraq to the United Nations addressed to the Secretary-General

In submitting the procurement and distribution plans for phases V, VI and VII under the memorandum of understanding signed by it and the Secretariat of the United Nations on 20 May 1996, the Government of Iraq allocated a sum of $10 million on each occasion for the Iraqi banking sector's need to purchase equipment and machinery for the printing of the national currency. This is important because the Central Bank of Iraq is in urgent need of such equipment so that it can print banknotes for the use of the public and curtail the flow and circulation of counterfeit currency and also in order to meet the requirements of the International Criminal Police Organization (ICPO-Interpol), which combats counterfeiting at the international level. Moreover, the printing of banknotes that meet high technical specifications can restore confidence in the Iraqi dinar among members of the public, and this would have a positive impact on purchasing power and would obviously improve their situation from the humanitarian point of view.

We very much regret that this important question was ignored and brushed aside when you approved the distribution plans for the phases in question, most recently that for phase VII (S/2000/18, annex II, enclosure). In annex I of the same document it is stated that:

> " ... the Secretary-General's acceptance of the plan does not constitute an endorsement of either the budgetary allocation for equipment and supplies in support of the banknote printing requirements referred to in paragraph 67 of the plan or the specific items listed in annex VII to the plan."

Your failure to approve the allocation for the banking sector can only be interpreted by the Government of Iraq as one more obstacle placed in the way of the measures being taken to improve the situation of the Iraqi people, which has been suffering for more than 10 years under the unjust embargo, and as inflicting further damage on Iraq's economy, which is also suffering under the embargo.

The Government of Iraq would like to confirm that there is a dire and pressing need for supplies, equipment and machinery for the printing of the national currency and of banking instruments for the Central Bank of Iraq. It therefore hopes that you will accord the matter your closest attention in view of its intimate connection with the question of improving the humanitarian situation and living conditions of Iraqis, given that the stability and high quality of the currency will have a direct impact on the national economy and will curtail the flow and circulation of counterfeit notes.

(*Signed*) Mohammed Said **Al-Sahaf**
Minister for Foreign Affairs of the Republic of Iraq